NETRAMARK RELEASES PAPER DEMONSTRATING AI CAPABILITIES TO DERIVE INSIGHTS USING CLINICAL SCALE DATA

TORONTO, Feb. 27, 2023 /CNW/ - **NetraMark Holdings Inc.** (the "Company" or "NetraMark") (CSE: AIAI) (Frankfurt: 8TV) (OTC: AINMF) announces the release of its latest white paper, validating the capabilities of the Company's NetraAI technology to use clinical scale data to generate hypotheses about patient populations that model drug and placebo response.

"As part of our commercialization strategy, we are committed to releasing evidence to further validate the capabilities of NetraMark's solutions. Our "Drug and Placebo Response Modeling Using Assessment Data with NetraAI" white paper marks the first in a series of publications that clearly demonstrates our powerful patient stratification capabilities that, we believe, can have a meaningful impact on later phase clinical trial success." said Josh Spiegel, President of NetraMark Corp.

The NetraMark Approach to Modeling with Assessment and Scale Data

NetraMark has utilized clinical scale data from populations with psychiatric diagnoses to derive insights into the heterogeneity inherent to these datasets. A number of assessments, broadly classified into clinical scales, have been developed by psychiatrists to provide continuous and categorical data outputs that NetraAI can analyze. Using clinical scale data, NetraAI has been able to accurately model placebo and drug response from these datasets and the outcomes are outlined in this latest white paper. Further, the opportunity to use similar assessment data from outside of psychiatry represents an opportunity to expand the application beyond this market, as this will allow us to use our unique technology to influence clinical trials from a wide variety of patient reported outcomes.

"There is a significant market opportunity to find deeper insights and patient connections from clinical scale data as well as mitigate clinical trial challenges stemming from placebo response. We are very excited about the capabilities of the NetraAI technology to provide a real solution", said President, Josh Spiegel.

The Challenge of the Placebo Response in Clinical Trials for Psychiatric Disorders

The placebo response is a well-known confounding factor in clinical trials. This is a phenomenon in which a patient's symptoms improve due to their perception or belief in the treatment as opposed to treatment effect. In turn, the placebo effect can impair measurement of treatment efficacy and require more participants thereby increasing cost and prolonging studies. This is a long standing problem for clinical trials. Unfortunately, attempts to elucidate the placebo response, and understand why some patients respond to placebo using traditional machine learning (ML) methods have largely failed. Common clustering algorithms are incapable of teasing out subtleties in data due to the supplemental complexity of unquantified or unconsidered factors such as patient actions and expectations.

"High placebo response has been a gremlin causing many failed Central Nervous System (CNS) clinical trials. This prospective work with NetraAI, that identifies patients with lower likelihood of placebo response using readily available demographic/clinical features and a simple patient-rated scale, has great promise to bring better treatments to patients faster and at lower cost." said Dr. Larry Alphs, former Executive Director at Pfizer and former Therapeutic Area Leader, Psychiatry at

Johnson & Johnson and Sr. VP CNS Development at Denovo Biopharma.

Overview of NetraMark White Paper

Within this paper, real world examples of how NetraAI utilized clinical scales to generate hypotheses about drug and placebo response are provided. NetraAI created a model to predict drug and placebo response in bipolar disorder by using a set of clinical scales including the Hamilton Rating Scale for Anxiety (HAM-A) and Young Mania Rating Scale (YMRS). By filtering out patients that could not be reliably classified as placebo non-responders, and identifying pure patient subpopulations, this white paper demonstrates how our technology can be utilized as a tool for clinical trial enrichment for Phase III trials through uncovering novel insights from Phase II data. This process is expected to help clinical trial sponsors to transform complex and heterogeneous patient populations into a mosaic of well-defined subpopulations, allowing for the opportunity to reduce costs and improve clinical trial success rates.

A link to the white paper can be found here: https://www.netramark.com/scale-whitepaper

"A focus of our work has been to create a technology that could work with well designed questionnaire data. Working with psychiatric clinical scale data can provide a powerful way to understand patient populations, in order to reduce clinical trial failures. From clinical scales to patient reported outcomes, NetraAI has the ability to help discover what is driving drug and placebo response." says CTO/CSO, Dr. Joseph Geraci.

About NetraMark

NetraMark is a company focused on being a leader in the development of Artificial Intelligence (AI) / Machine Learning (ML) solutions targeted at the Pharmaceutical industry. Its product offering uses a novel topology-based algorithm that has the ability to parse patient data sets into subsets of people that are strongly related according to several variables simultaneously. This allows NetraMark to use a variety of ML methods, depending on the character and size of the data, to transform the data into powerfully intelligent data that activates traditional AI / ML methods. The result is that NetraMark can work with much smaller datasets and accurately segment diseases into different types, as well as accurately classify patients for sensitivity to drugs and / or efficacy of treatment.

For further details on the Company please see the Company's publicly available documents filed on the System for Electronic Document Analysis and Retrieval (SEDAR).

Forward-Looking Statements

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation including statements regarding the validation of NetraAI's capabilities to utilize clinical scale data to generate hypotheses about patient populations to model drug and placebo response, our commitment to release evidence to further validate our solutions, the possibility of future publications to demonstrate our patient stratification capabilities, the possibility that these capabilities can have a meaningful impact on later phase clinical trial successes, the possibility of our expanding the application beyond this market and to provide a real solution, the size of the market opportunity and the prospective work to identify patients with lower likelihood of placebo response and the promise to bring better treatments to patients faster, reduce costs and improve clinical trial success rates which are based upon NetraMark's current internal expectations, estimates, projections, assumptions and beliefs, and views of future events. Forward-looking information can be identified by the use of forward-looking terminology such as "expect", "likely", "may", "will", "should", "intend", "anticipate", "potential", "proposed", "estimate" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may", "would" or "will" happen, or by discussions of strategy. Forward-looking information includes estimates, plans, expectations, opinions, forecasts, projections, targets, guidance, or other statements that are not

statements of fact. The forward-looking statements are expectations only and are subject to known and unknown, risks, uncertainties and other important factors that could cause actual results of the Company or industry results to differ materially from future results, performance or achievements. Any forward-looking information speaks only as of the date on which it is made, and, except as required by law, NetraMark does not undertake any obligation to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise. New factors emerge from time to time, and it is not possible for NetraMark to predict all such factors.

When considering these forward-looking statements, readers should keep in mind the risk factors and other cautionary statements as set out in the materials we file with applicable Canadian securities regulatory authorities on SEDAR at www.sedar.com including our Management's Discussion and Analysis for the year ended September 30, 2022. These risk factors and other factors could cause actual events or results to differ materially from those described in any forward-looking information.

The CSE does not accept responsibility for the adequacy or accuracy of this release.

Footnotes

1. Hafliðadóttir, S. H. *et al.* Placebo response and effect in randomized clinical trials: meta-research with focus on contextual effects. *Trials* **22**, (2021).

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